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HARYANA GOVERNMENT

INDUSTRIES AND COMMERCE DEPARTMENT

Notification

The 6th March, 2019

No. 49/43/2015-4IBI.— In supersession of earlier Credit Linked Interest Subsidy Scheme notified *vide* notification No. 49/43/2015-4IBI, dated 29.01.2016, the Governor of Haryana is pleased to notify the modified “State Credit Linked Interest Subsidy Scheme for Technology Up-gradation” with the following provisions :-

1. Objective:-

The survival and growth of the Micro and Small Sector is critically dependent on their modernization and Technological Up gradation. Up gradation of both the process of manufacture and corresponding plant and machinery is necessary for the small enterprises to reduce the cost of production and remain price competitive at a time when cheaper products are easily available in the global market. Due to inadequate finance and lack of awareness of both the quality standards and access to modern technologies, a large percentage of Micro and Small sector continue with outdated technology and plant & machinery. Government of India has introduced Credit Linked Capital Subsidy Scheme for Technology Up-gradation of the MSE sector.

The Ministry of MSME, GOI has currently put the scheme under hold and they are in the process of revising earlier notified Credit Linked Capital Subsidy Scheme and the State Government had linked its earlier scheme notified on 29th of January, 2016 to the GOI scheme. Now the State Government has decided to delink the State Credit Linked Interest Subsidy Scheme for Technology Up-gradation.

2. Quantum of Assistance:

Under the State Credit Linked Interest Subsidy Scheme (SCLISS) for Technology Up- gradation, the State Government shall provide interest subsidy @5% upto a maximum of INR 5 lakh per year for a period of 3 years to an eligible unit in specified sectors/products of the industry.

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of the Enterprise Promotion Policy (EPP) – 2015 i.e. 14/08/2015 and shall remain in operation upto 14/08/2020. The assistance shall be available on term loan (Plant and Machinery) sanctioned after 14/08/201 but before 14/08/2020.

4. Eligibility Criteria

All the existing Micro and Small Units located anywhere in the State, who have filed UAM shall be eligible under the Scheme. Only the list of technologies approved by the Government of India under CLCSS from time to time shall be eligible for subsidy. The eligible units must also comply with the following conditions:

- i. The unit must upgrade their existing plant and machinery with State of Art Technology with or without expansion/ diversification as per guideline under CLCSS Scheme of GoI. The units shall provide a certificate from SIDBI/NABARD regarding their eligibility under the CLCSS of GOI.
- ii. Industry also graduating from small scale to medium scale on account of sanction of additional loan under CLCSS shall be eligible for assistance.
- iii. The item of Manufacture of unit should not have been placed in the restrictive list as notified by the State government from time to time.
- iv. The unit should have obtained NOC/CLU from competent Authority if applicable.
- v. The unit should be in commercial production.
- vi. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to a closed unit.
- vii. The units who have applied under GOIs Credit Linked Capital Subsidy Scheme but have not been able to avail capital subsidy due to revision in CLCSS by GOI are also eligible only after fulfilling the terms and conditions under SCLISS.

5. Procedure

- a. Application on prescribed Form (Annexure-I) for the grant of State Credit Linked Interest subsidy along with listed documents would be submitted to the Director of Industries & Commerce, on the web portal of the department.
- b. The application would be processed and examined by GM DIC and he shall check the list of machinery and certify that the machinery is available on list given at website. The unit shall provide a certificate from SIDBI/NABARD that the machinery is covered under the list of technologies approved by the Government of India under CLCSS from time to time. GM DIC shall physically visit the unit and verify the eligibility of plant & machinery as per the claim. The deficiencies, if any, would be communicated to the applicant in writing within a period of 10 working days and the applicant would be given a time period of four weeks to rectify the deficiencies so pointed out. The enterprise shall not be required to submit any additional document other than specified under Annexure-I without approval of competent authority.
- c. In case the deficiencies are not removed within prescribed period, the claim may be filed by the Competent Authority, under intimation to the applicant through e-mail.
- d. A claim application so filed may be reopened with the orders of Administrative Secretary Industries & Commerce provided request for the same is received within a period of 30 days from the date of rejection of the claim by the designated Competent Authority.

6. Competent Authority for Sanction:

Director, Industries & Commerce shall be competent authority for sanction of State Credit Linked Interest Subsidy for Technology Up-gradation.

7. Time Limit

The enterprise shall forfeit its entitlement for the capital subsidy, if it does not submit its claim, complete in all respects within three months of the purchase of the equipment for which CLISS is being claimed. The subsidy amount will be disbursed only after commissioning of the project.

8. Interpretation/ Relaxation

Administrative Secretary Industries & Commerce, Haryana shall be competent to make interpretation/ relaxation of provisions of this scheme.

9. Appeal

Appeal against orders passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against and orders passed by the Administrative Secretary shall be final.

10. Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

The industry should be in operation for a period of three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

11. Terms and Conditions

- (a) In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of that the Beneficiary will comply with and faithfully observe all terms and conditions of the said Scheme and also all the subsequent amendments and modifications and additions thereto together with the conditions of the sanction of the said financial assistance.
- (b) That the Beneficiary will allow the officers of the Government of Haryana or any other person or persons authorized by Government of Haryana to inspect the work for which the interest subsidy has been granted and also the machines, plant, appliances, tools, equipments, etc. for the procuring of which the subsidy has been granted and will furnish such information concerning the machines, plant implements, etc., or concerning the matter connected with the interest subsidy or incidental thereto as the Government of Haryana or their nominees may, from time to time require.
- (c) That the Beneficiary will not change the place or location of the industrial unit entirely or partly, nor enter into partnership with any one, or change its constitution by merger, amalgamation or in any manner nor the Beneficiary effect disposal of fixed capital investment without the express prior permission of the Government of Haryana in writing.
- (d) The Beneficiary unit shall remain in commercial production for a period of at least three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit. This is except in cases where the unit remains out of production for short periods not exceeding three months due to reasons beyond its control such as shortage of raw material / power, etc. to the satisfaction of the State Government.

DEVENDER SINGH,
Additional Chief Secretary to Government of Haryana,
Industries and Commerce Department.

Annexure – I**Application format for claiming State Credit Linked Interest Subsidy Scheme for Technology Up-gradation**

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Factory address of the unit with telephone no. and e-mail	
3	Registered Office address	
4	Name of the block in which the enterprise located and category of blocks i.e. B/C/D	
5	Category of the unit (Micro/ Small).	
6	EM Part-II/Udyog Aadhar No. & date	
7	Date of commencement of commercial production of the technologically upgraded unit(As per first sale bill)	
8	Item of manufacture/processing	
9	Category under which capital subsidy has been claimed: Micro/ Small	
10	Name of the bank/ financial institution	
11	Quantum of term loan sanctioned for the technology up-gradation.	
12	Date of disbursement of first installment of loan & amount	
13	Total cost of scheme as approved by bank/ financial institution	
14	Total source of funding / means of finance (as approved by Bank/ FI): i. Promoters' Contribution ii. Term Loan iii. Others resources Total	
15	Quantum of interest subsidy admissible to the unit (Attach bank certificate as per prescribed performa as Annexure III)	

16. Self-attested copies of documents to be attached with the application:

- i. Acknowledgement of UAM.
- ii. Certificate of Incorporation/ Partnership deed.
- iii. Board resolution/ Power of attorney
- iv. Change of Land Use (CLU)/ NOC from competent authority, if applicable.
- v. Certificate for Financial Institution on Letter Head of the Bank (Annexure-II)
- vi. CA Certificate regarding investment in plant & machinery for new unit/ expansion/ diversification (Annexure-III).
- vii. Certificate from SIDBI (Annexure – IV).
- viii. Audited balance sheet of the unit of last year (if Applicable).
- ix. Copy of first sale bill.

Signature of the applicant (with seal)

Declaration

I, _____ do hereby solemnly state that I am proprietor/ partner/director/ _____
of M/s _____

located _____ which is engaged in the manufacture of _____ and I have been
authorized to file the Credit linked Interest subsidy claim with the Department of Industries and Commerce, Haryana.

2. I do hereby affirm that the particulars given in the application are correct. In case, any of the statement/
information furnished in the application/ documents later found to be wrong or incorrect or misleading, I do hereby
undertake to refund the entire amount of assistance of

Rs. _____ (Rupee _____)

granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in
this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)

Annexure-II**Certificate from financial institution**

(on letterhead of the bank)

This is to certify that M/s has been sanctioned term loan of Rs. for the project located at @ % interest.

The unit has been disbursed term loan of Rs. upto The last instalment of the term loan of Rs. was disbursed on dated

This is to certify that:

- (i) No penal interest has been charged.
- (ii) The unit is eligible to be financed subsidy under Credit Linked Interest Subsidy Scheme of Government of Haryana.

Signature
Branch Manager Name of Bank

Seal of the Bank

Place:

Date:

Annexure-III

Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)

To whom it may concern

The records and books of account of M/s with their regd. office at..... and factory located at in respect of investment in existing plant & machinery (original purchase value) of the unit has been verified. It is certified that the investment in plant & machinery as on date..... stands as Rs.....

Name & Signature of the Chartered
Accountant with stamps & CA
membership number

Dated:

Annexure-IV**Certificate from SIDBI**

(On letterhead of SIDBI)

This is to certify that M/s has been sanctioned term loan of Rs. for the project located at @ % interest. The machinery is covered under the list of eligible machineries under CLCSS.

The amount of interest subsidy eligible by the unit per year is

This is to certify that:

- (i) No penal interest has been charged.
- (ii) The unit is eligible to be financed subsidy under Credit Linked Interest Subsidy Scheme of Government of Haryana.

Signature
Branch Manager
Small industries Development Bank of India

Seal of the Bank

Place:

Date: